

1      Pamela M. Egan, WSBA No. 54736 (*pro hac vice*)  
2      POTOMAC LAW GROUP PLLC  
3      1905 7<sup>th</sup> Ave. W  
4      Seattle, WA 98119  
5      Telephone: (415) 297-0132  
6      Email: pegan@potomaclaw.com

7      *Attorneys for Mark D. Waldron, Chapter 11 Trustee*

8

9      **UNITED STATES BANKRUPTCY COURT**  
10     **EASTERN DISTRICT OF WASHINGTON**

11     In re:

12     GIGA WATT, Inc., a Washington  
13     corporation,

14     Debtor.

15     Case No. 18-03197 FPC 11

16     The Honorable Frederick P. Corbit

17     Chapter 11

18

19     **NOTICE OF CHAPTER 11  
TRUSTEE'S MOTION FOR ORDER  
APPROVING SALE OF  
EQUIPMENT FREE AND CLEAR  
OF ALL LIENS, CLAIMS AND  
INTERESTS, APPROVAL OF  
NOTICE THEREOF AND  
RELATED RELIEF**

20

21     **Telephonic Hearing**

22     Date:           April 9, 2020  
23     Time:           10:30 a.m. PT  
24     Telephone:     877-402-9753  
25     Access Code:    3001392

26

27     **PLEASE TAKE NOTICE THAT** Mark D. Waldron, in his official  
28     capacity as the Chapter 11 Trustee (the “**Trustee**”) has filed the Chapter 11  
29     Trustee’s Motion for Order Approving Sale of Equipment Free and Clear of all

30

31     Notice of Chapter 11 Trustee’s Motion for Order Approving Sale of Equipment,  
32     etc. - Page 1

1 Liens, Claims and Interests, Approval of Notice Thereof and Related Relief (the  
2 “**Motion**”). The Motion and its supporting papers are located on the above-  
3 captioned Court’s docket and may be obtained from the Court’s clerk and from  
4 the Court’s website. **A telephonic hearing (the “Telephonic Hearing”) will be**  
**5 held on the Motion on April 9, 2020 at 10:30: a.m., Pacific Time. The call in**  
**6 information: dial 877-402-9753, then enter the access Code, 3001392.**

7 **If you wish to object to the Motion, you must file an Objection with the**  
8 **Court and serve it upon undersigned counsel on or before April 8, 2020.** The  
9 Telephonic Hearing will be held even if no objection is timely filed and served, so  
10 that parties in interest may have an opportunity to bid. However, untimely  
11 objections may not be considered without the Court’s permission.

12 Essential terms of the sale (the “**Sale**”) proposed in the Motion are: The  
13 Trustee is selling the equipment (defined in the Motion as the Pangborn  
14 Equipment and the Other Equipment) to Gib Compute LLC (“**Gib**” or “**Buyer**”)  
15 “as is” and as generally listed on Exhibit 1 attached hereto. Other essential terms:  
16 Purchase Price - \$175,000; Refundable Earnest Money Deposit - \$17,500; Order  
17 approving the Agreement to be entered no later than April 13, 2020; Buyer to pick  
18 up and remove the Pangborn Equipment and Other Equipment at its own expense  
19 by no later than May 2, 2020. The estimated fair market value of the Pangborn  
20 Equipment and Other Equipment is not less than \$175,000. The Buyer is relying  
21 on its own inventory of the Pangborn Equipment and Other Equipment. The Sale  
22 Agreement and additional details may be obtained from undersigned counsel. A  
23 schedule of the Pangborn Equipment and Other Equipment is attached hereto.

24 Notice of Chapter 11 Trustee’s Motion for Order Approving Sale of Equipment,  
etc. - Page 2

1           **PLEASE TAKE FURTHER NOTICE THAT** the Pangborn Equipment  
2 and Other Equipment is to be sold free and clear of all liens, claims, and interests  
3 pursuant to § 363(f) of the Code. Neppel Electrical and Controls, LLC has  
4 asserted a disputed lien in the amount of \$479,959.63 against the real property  
5 where the Pangborn Equipment is located. The Moses Lake Landlord may assert a  
6 disputed lien against the Other Equipment. The Sale is authorized pursuant to 11  
7 U.S.C. §§ 363(f)(4) and (5). The Sale is necessary because it will bring \$175,000  
8 into the estate and enable the Trustee to remove the Pangborn Equipment from its  
9 location as required by an Order entered on March 24, 2020 [ECF 515].

10          **PLEASE TAKE FURTHER NOTICE THAT** the Sale is subject to  
11 overbids. A party may bid on the Pangborn Equipment and Other Equipment at  
12 the hearing. The first overbid must be in an amount that is at least \$10,000 higher  
13 than the Purchase Price. Subsequent overbids must be in increments of not less  
14 than \$5,000. A bidder must establish the bidder's financial ability to meet all the  
15 terms of the Agreement. Bidders must also establish the ability to remove the  
16 Pangborn Equipment by May 2, 2020. The Trustee shall determine a bidder's  
17 qualification, in his business judgment, subject to Court review. Gib shall be paid  
18 a Break-Up Fee of three percent (3%) of the final purchase price if a party other  
19 than Gib wins the bidding.

20          Dated: March 30, 2020

POTOMAC LAW GROUP PLLC

21           By: /s/ Pamela M. Egan  
22           Pamela M. Egan (WSBA No. 54736)  
23           *Attorneys for Mark D. Waldron, Chapter 11  
Trustee*

---

24          Notice of Chapter 11 Trustee's Motion for Order Approving Sale of Equipment,  
etc. - Page 3